



Before the Appellate Board  
National Electric Power Regulatory Authority  
(NEPRA)  
Islamic Republic of Pakistan

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No. NEPRA/AB/Appeal/109/2017/ *115-1119*

July 06, 2018

1. Sadar-ud-Din  
S/o Jan Muhammad,  
Prop: M/s Sadar-ud-Din & Co. Kino Factory,  
01-KM, Kot Momin Road,  
Bhalwal
2. The Chief Executive Officer  
FESCO Ltd,  
West Canal Road, Abdullahpur,  
Faisalabad
3. Dr. Muhammad Irtiza Awan  
Advocate High Court,  
Al-Majeed Centre, I-Mozang Road,  
38-Link Farid Kot Road, Lahore
4. Sub Divisional Officer (Opr),  
FESCO Ltd,  
City Sub Division,  
Bhalwal
5. Electric Inspector,  
Faisalabad Region,  
Energy Department, Govt. of Punjab,  
Opposite Commissioner Office,  
D.C.G Road, Civil Lines, Faisalabad

Subject: Appeal Titled FESCO Vs. Sadar-ud-Din Against the Decision Dated 23.05.2017 the Provincial Office of Inspection to overnment of the Punjab Faisalabad Region, Faisalabad

Please find enclosed herewith the decision of the Appellate Board dated 28.06.2018, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

No. NEPRA/AB/Appeal/109/2017/ *11120*

Forwarded for information please.

(Ikram Shakeel)

July 06/2018

  
Assistant Director  
Appellate Board

1.  Registrar



# National Electric Power Regulatory Authority

## **Before Appellate Board**

In the matter of

**Appeal No.109/2017**

Faisalabad Electric Supply Company Limited

.....Appellant

Versus

Sadar-ud-Din, S/o Jan Muhammad, Prop: M/s. Sadar-ud-Din & Co.  
Kino Factory, Kot Momin Road, Bhalwal

.....Respondent

**APPEAL UNDER SECTION 38 (3) OF REGULATION OF GENERATION,  
TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997  
AGAINST THE DECISION DATED 23.05.2017 PASSED BY PROVINCIAL  
OFFICE OF INSPECTION FAISALABAD REGION FAISALABAD**

**For the appellant:**

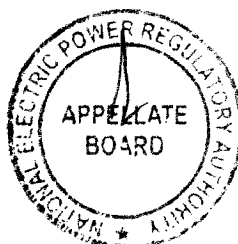
Dr. M. Irtiza Awan Advocate  
Mr. Pir Muhammad Executive Engineer

**For the respondent:**

Mr. Sadar-ud-Din

## **DECISION**

1. Brief facts give rising to the instant appeal are that the respondent is an industrial consumer of Faisalabad Electric Supply Company Limited (hereinafter referred to as the FESCO) bearing Ref No.24-13431-5101902 with a sanctioned load of 224 kW under B-2b tariff. Metering equipment of the respondent was checked by Metering and Testing (M&T) FESCO on 21.11.2016 and reportedly the TOU billing meter was found



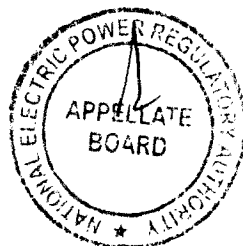


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defective with 33% slowness due blue dead phase and the backup meter found in tilted position and sticking. After issuing notice dated 09.12.2016 to the respondent, multiplication factor (MF) was raised from 120 to 179.1 to account for 33% slowness of the TOU billing meter by FESCO w.e.f December 2016 and onwards.

2. The respondent was dissatisfied with above actions of FESCO, therefore approached Provincial Office of Inspection, Faisalabad Region, Faisalabad (hereinafter referred to as POI) and requested for checking the metering equipment. Inspection of the metering equipment was carried out by POI on 15.03.2017 in presence of both parties, wherein both the TOU billing and backup meters were found working within permissible limits. Metering equipment was again checked by FESCO on 21.04.2017 and 33% slowness of TOU billing meter was reported, hence the detection bill of Rs.78,684/- for 3,802 units for the period August 2016 to November 2016 (4 months) was charged to the respondent by FESCO @ 33% slowness in the bill for April 2017. The respondent filed application before POI on 25.04.2017 and challenged the aforesaid detection bill, the electricity bills with enhanced MF=179.1 total amounting to Rs.274,672/- for the period December 2016 to April 2017 & charging of MDI=398 kW instead of sanctioned load=224 kW. The matter was disposed of by POI vide its decision dated 23.05.2017 with the following conclusion:

*“In summing of all the observations, it is decided and the respondents are directed, 1. The charging of enhanced multiplication factor from 12/2016 to 04/2017 and*

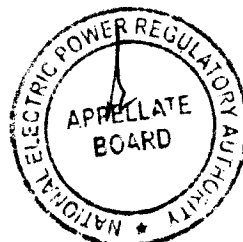




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*excessive MDI charged as 398 KW against the 224 KW is baseless & unjustified, therefore the same is liable to be declared null, void and illegal. 2. The Respondents are directed to refund/adjust Net excessive units charged= $194682-130440=64242$  KWH as the meter was found within BSS limits as checked by this forum on dated 15.03.2017 and there is no any precedent or rule by NEPRA or court of law to punish the petitioner on the basis of make and break as the plea taken by the respondents. 3. The respondents are directed to refund/adjust Net Refundable MDI to the petitioner= $1181-793=388$  kW to the petitioner, as the respondents charged on enhanced MF 179.1 instead of 120 actual MF, from 12/2016 to 04/2017. 4. A detection bill for the period 08/2016 to 11/2016 (4 months) for 3802 units on account of 33% slow with sanctioned load 224 KW charged is also set aside as null, void and illegal. The respondents are directed to overhaul the accounts on the above findings and replace the defective meter without cost if already not replaced to avoid the future litigation. An early action in this regards will be highly appreciated."*

3. The appeal in hand has been filed by FESCO against the aforementioned decision wherein, FESCO contended that 33% slowness was observed in the TOU billing meter due to dead blue phase by M&T FESCO on 21.11.2016, whereas it was found okay during POI checking dated 15.03.2017. FESCO further contended that the TOU billing meter was again checked by SDO FESCO in presence of the respondent which was found 33% slow. As per FESCO, comparison of consumption between the disputed TOU billing and back meters for the period December 2016 to April 2017 proves that the TOU billing meter remained 30.49% slow. According to FESCO, the detection bill of Rs.78,684/- for 3,802 units for the period August 2016 to November 2016 and the onward bills with enhance MF=179.1 from December 2016 to April 2017 charged to the

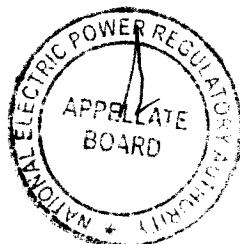




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respondent on the basis of 33% slowness are justified and that the impugned decision in this regard is not sustainable in the eye of law.

4. Notice of the appeal was issued to the respondent for filing reply/parawise comments, which were filed on 18.08.2017. The respondent rebutted the contentions of FESCO regarding charging 33% slowness and averred that the metering equipment was checked by POI on 15.03.2017, wherein both the TOU billing and backup meters were found functioning correctly. As per respondent, charging of the detection bill of Rs.78,684/- for 3,802 units for the period August 2016 to November 2016 and enhancement of MF from 120 to 179.1 from December 2016 to April 2017 and the excessive MDI=398 kW are baseless and unjustified. The respondent claimed that all the electricity bills were paid under protest in order to avoid the disconnection of electricity. The respondent prayed that the impugned decision be upheld and the appeal be dismissed with cost.
5. After issuing notice, hearing of the appeal was conducted in the NEPRA regional office Lahore on 09.04.2018, in which Dr. M. Irtaza Awan advocate along with Mr. Pir Muhammad Executive Engineer represented the appellant FESCO and Mr. Sadar-ud-Din the respondent appeared in person. Learned counsel for FESCO contended that 33% slowness of the TOU billing meter was observed by M&T FESCO on 21.11.2016. As per appellant, the detection bill amounting to Rs.78,684/- for 3,802 units for the period August 2016 to November 2016 and the onwards bills with enhanced MF=179.1 from December 2016 to April 2017 charged to the respondent



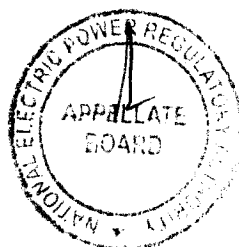


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@ 33% slowness of the TOU billing meter are justified and payable by the respondent.

On the contrary the respondent reiterated the same stance as given in his reply/parawise comments to the appeal and argued that the disputed TOU billing meter is functioning correctly since beginning, which is confirmed during the inspection conducted by POI on 15.03.2017. He prayed for upholding the impugned decision.

6. Arguments heard and record perused. 33% slowness was observed in the TOU billing meter by M&T FESCO on 21.11.2016, hence MF of the respondent's meter was raised from 120 to 179.1 from December 2016 and onwards. Subsequently a detection bill of Rs.78,684/- for 3,802 units for the period August 2016 to November 2016 was charged by FESCO on account of 33% slowness of the meter. The Metering equipment of the respondent was checked by POI in presence of both the parties on 15.03.2017, wherein both the TOU billing and backup meters were found working within permissible limits. FESCO claimed that the TOU billing meter was found 33% slow during the subsequent checking dated 21.04.2017, but they did not provide any documentary evidence to substantiate their version. We are inclined to agree with the determination of POI that TOU billing meter recorded consumption correctly and no detection bill can be charged on account of 33% slowness of the meter. POI has rightly declared the electricity bills with enhanced MF=179.1 from December 2016 to April 2017 and the detection bill of Rs.78,684/- for 3,802 units for the period August 2016 to November 2016 (on account of 33% slowness) as null and void and the respondent is entitled to be afforded credit of





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net 64,242 units/388 kW MDI as already calculated in the impugned decision.

7. For the foregoing reasons, the appeal is dismissed.

Muhammad Qamar-uz-Zaman  
Member

Nadir Ali Khoso  
Convener

Muhammad Shafique  
Member

Dated: 28.06.2018

